

Town of Hampton
Board of Finance
Regular Meeting
September 9, 2026
7PM

Call to Order: The meeting was called to order at 7PM.

Roll Call: Kathy Donahue, Ed Adelman, Kate Donnelly (virtually), Joan Fox, Nick Brown, Regina DeCesare, Kathi Newcombe, First Selectman Allan Cahill, Hampton Elementary School Board of Education Chairman Mark Becker, Treasurer Ellen Rodriguez, Recording Secretary Dayna McDermott-Arriola.

Kathi Newcombe was seated, upon request, for Judy Buell.

Citizen Comments: Board of Education Chairman Mark Becker criticized the Finance Board Chairman for the handling of the discussion on the elementary school potentially overspending its FY2025-2026 budget, calling it unprofessional and inappropriate and suggesting that the appropriate method would have been to ask school officials for the facts, wherein the school board would have included a discussion on the agenda of their meeting. Mr. Becker said that, while he appreciated the Chairman's diligence, he believed the matter could have been handled more discreetly instead of "throwing the board of education under the bus". He also criticized *The Hampton Gazette*.

Approval of Minutes

Motion: Nick Brown, seconded by Joan Fox, to approve the Special Meeting Minutes of July 23, 2026 with the following amendments: "Superintendent Skarzynski also explained his understanding of taxpayer funding of school funds, since the school is currently operating on the taxpayer previously approved budget of the previous year." Additionally in all instances "Adleman" should be spelled "Adelman". Motion carried unanimously, Kathi Newcombe abstaining.

Motion: Ed Adelman, seconded by Joan Fox, to approve the Regular Meeting Minutes of August 12, 2026 with the following amendment: under New Business: Update on Length of Service Award Program: "Reportedly, the \$25,000 approved in the FY2026-2027 budget has been deposited into the *Flushing Bank Service Award Trust Account*." Motion carried unanimously.

Reports/Actions

First Selectman: First Selectman Cahill reported that the Selectmen met and scheduled a Town Meeting on September 17 at 7PM. Included on the call are: approval of the FY2026-2027 Hampton Elementary School budget; a request for \$75,000 to complete paving on Windham Road; and to request the funding for additional Department of Public Work staff. Mr. Cahill explained that he had discussed this need earlier and refrained at that time from putting it into the FY2026-2027 Government Budget, however due to additional duties, including the maintenance of several town-owned preserves, an additional crew member is needed. A referendum to vote on the questions is scheduled for October 1.

Tax Collector: Chairman Donahue distributed the Tax Collector's August report.

Treasurer: Treasurer Rodriguez announced that the Auditor will start the process of auditing fiscal year FY2025-2026 in a few weeks. She also requested several year-end transfers.

Motion: Nick Brown, seconded by Joan Fox, to approve the following transfers: \$368.12 from #6000-04 Administrative Asst. to #6000-07 Selectmen Computer; \$216.69 from #6000-06 Selectmen Supplies to

#6000-07 Selectmen Computer; \$4,431.48 from #6201-02 Road Maintenance Payroll to #6000-07 Selectmen Computer; \$232.36 from #6001-13 Collection Agency Expense to #6001-08 Tax Collector Postage/Legal; \$126.10 from #6003-02 Town Clerk Land Records to #6003-05 Town Clerk Mailing Costs; \$349.70 from #6003-02 Town Clerk Land Records to #6003-10 Town Clerk Legal Notices; \$29.39 from #6003-02 Town Clerk Land Records to #6003-11 General Office Supplies; \$13,330 from #6004 Town Counsel to # 6300 Sanitation; \$7.82 from #6005-06 Treasurer Postage to #6005-07 Treasurer Payroll/Bank Fees; \$79.39 from #6006-10 Assessor Office Supplies to # 6006-03 Assessor Mileage; \$2,875.20 from #6009-08 Election Early Voting to #6009-01 Election Registrars Pay; \$16.76 from #6009-08 Election Early Voting to #6009-04 Election Postage; \$1.76 from #6010-02 P & Z Legal Notices to #6010-00 P & Z Clerk; \$464.00 from # 6010-02 P & Z Legal Notices to #6010-04 DEP Land Use Fees; \$3125.09 from #6007-03 Town Hall Maintenance to #6300 Sanitation; \$52.00 from #6011-07 I & W Subscriptions to #6011-04 DEP Land Use Fees; \$166.40 6011-00 I& W Clerk to #6012-01 Board of Finance Administration; \$334.72 from #6012-03 Board of Finance Clerk to #6012-01 Board of Finance Administration; \$393.95 from #6013-10 Comm. Center Electricity to #6013-03 Town Hall Electricity; \$562.00 from #6100-13 DOT Physicals to #6100-07 Building Inspector Mileage; \$168.78 from #6100-13 DOT Physicals from #6100-10 Building Inspector Clerk; \$2,125.17 from #6201-01 Road Maintenance to #6015 Health Insurance; \$1,261.00 from #6201-03 Road Maintenance Payroll OT to #6201-09 Equipment Maintenance; \$715.00 from #6206 Small Tools to # 6201-07 Town Garage Maintenance; \$279.64 from #6900 Insurance and Bonds to # 6800 Social Security Town Share; \$23.05 from #7603 Dog Tags to #7606 Dog Fund State Fees; \$275.00 from #6201-04 Gasoline to #6201-08 Training & Testing. Motion carried unanimously.

Ed Adelman asked if there were any legislative discussions on the required Early Voting hours. The Registrar of Voters reported that, while legislators have expressed concern over the excessive amount of hours for small towns, they are waiting for the additional data that a second year for Early Voting should provide before making decisions on reducing the hours. The Town will receive \$5000 from the State to supplement the costs of Early Voting.

Nick Brown asked whether the Town included a sufficient amount for Sanitation in the FY2026-2027 budget, considering the number of transfers that department required this year. Treasurer Rodriguez confirmed that additional funds were budgeted for Sanitation. He also praised Treasurer Rodriguez for the investments which have earned the Town additional money in interest and asked for the rate of interest for the Money Market, which Treasurer Rodriguez reported is currently 3.2%.

Boards of Education:

Regional District #11: Chairman Donahue reported receipt of the school's financial reports.

Hampton Elementary School: Chairman Donahue reviewed the procedure enacted when she discovered that the year-end financial statement she received on July 30 from the Town Treasurer showed that the Hampton Elementary School's FY2025-2026 budget was \$103,397.44 overspent. She immediately reported the potential deficit to the First Selectman and Treasurer Rodriguez, instructing her to email the school's Business Coordinator, Sally Lehoux, for any additional information, including journal entries, which could explain the deficit. She also notified the Board of Finance members. Treasurer Rodriguez reported at the time that she had not received journal entries since January, which she publicly confirmed during the Meeting. Chairman Donahue noted that with both Treasurer Rodriguez and Superintendent Skarzynski on vacation, and possibly Business Coordinator Lehoux as well as she has, reportedly, no regular office hours, no further information had been forthcoming as of August 21 when she contacted the Superintendent and requested a meeting. Mr. Skarzynski replied with his understanding from Lehoux that the school's year-end budget was balanced, and that Treasurer Rodriguez "was working on reconciling her books". Chairman Donahue noted that the Town Treasurer cannot record what she does not receive and reported that, subsequent to the Superintendent's response, there were several email communications between the Treasurer, the Business Coordinator and the Town Auditor. The Business Coordinator's

reconciled reports were not received until the afternoon of August 26, and that the Superintendent's explanation of the overspent amount reported in the July 2026 Town report was not received until the August 26 board meeting.

Chairman Donahue emailed school officials that the Minutes of the Board of Education Meeting misquoted her. She had publicly requested a meeting with the Superintendent and the Business Coordinator, which has not been scheduled to date. She also brought to both boards' attention other discrepancies, such as the widely differing amounts in the May reports, and informed finance board members that discrepancies are continuing into the current year, according to the recent town report. Chairman Donahue read a correspondence dated August 27 from the Auditor to the Business Coordinator confirming that Donahue's concerns were valid, and repeatedly stating that "the best and really only way to prevent year end expenditure variances between the town and the school relating to education expenditures which are recorded on two different systems is to either perform monthly or quarterly reconciliations between the two...all of these items and or variances would have been noted and been able to be corrected shortly after they occurred if more frequent reconciliations had been performed." The auditor answered the six specific questions with the same advice applied to every area of inquiry, that each "would have been noted and corrected had more frequent reconciliations been performed." Chairman Donahue also met with Selectmen Cahill and Grindle regarding the matter and has suggested additional checks and balances to ensure that the financial reports are accurate. First Selectman Cahill confirmed that the referendum needed to be postponed due to the school's financial inaccuracies, as it was uncertain as to whether or not additional funds would need to be requested from the Town in order to balance the FY2025-2026 budget.

Ed Adelman questioned whether or not monthly reconciliations would require additional staff, and Joan Fox confirmed with Treasurer Rodriguez that the FY2025-26 budget was not overspent, but Chairman Donahue would not confirm the same, stating that she had yet to review the final numbers, including journal entries. First Selectman Cahill noted that even last week the Town remained unaware of the reconciled numbers.

In other business, Chairman Donahue reported that the school hired a new art teacher, that negotiations are starting between the board and the union, and that the school reports a census of 75 students, with nine students attending out-of-district schools.

Policies and Procedures Committee: The committee did not meet. Nick Brown suggested that the accounting issues be addressed by the committee. Chairman Donahue stated that she intends to meet with Town and School officials.

Correspondence: Chairman Donahue reported receipt of the school financial reports, the report of the Tax Collector, and information on the Length of Service Award Program.

New Business: none.

Old Business

a. **Update on Length of Service Award Program**

The year-to-date interest earned on the reported annuity is \$5,481. The program administrator is recommending \$50,000 for LOSAP be budgeted next year to cover anticipated costs and is willing to meet with the Board of Finance to review reports and current investments. Nick Brown suggested inviting representatives from the Fire Department. Chairman Donahue noted that other towns offer volunteers a variety of incentives to retain members. First Selectman Cahill noted that Ashford has recently hired two fire fighters to serve during the weekdays for an annual cost of \$250,000.

Citizen Comments: Board of Education Chairman Becker stated he trusted Business Coordinator Lehoux and Superintendent Skarzynski, and that they would have apprised officials if the school's budget had been in arrears.

Suggestions for Next Agenda: Members are encouraged to send their suggestions to the Chairman.

Date, Time and Place of Next Meeting: October 14, 2026, at 7PM.

Adjournment: There being no further business to come before the Board, the Meeting adjourned at 7:54PM.

Dayna McDermott Arriola
Recording Secretary

This is a draft version of the Minutes until approved by the Board of Finance.